

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT            )  
FILING OF ELKHORN WATER                ) CASE NO. 2011-00129  
DISTRICT                                        )

ORDER

On April 8, 2011, Elkhorn Water District (“Elkhorn”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Elkhorn purchases water from Frankfort Electric and Water Plant Board (“Frankfort”).
2. On March 16, 2011, the Commission<sup>2</sup> approved an adjustment in Frankfort’s volumetric wholesale rate to Elkhorn District from \$1.704 per 1,000 gallons to \$1.81 per 1,000 gallons effective April 1, 2011.<sup>3</sup>
3. Elkhorn proposed a purchased water adjustment factor of \$0.14 per 1,000 gallons.

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<sup>1</sup> KRS 278.015; 807 KAR 5:068.

<sup>2</sup> Case No. 2010-00485, Proposed Adjustment of the Wholesale Water Service Rates of Frankfort Electric and Water Plant Board (Ky. PSC Mar. 16, 2011).

<sup>3</sup> In its application, Elkhorn stated the Base Rate as \$1.754 per 1,000 gallons and the Changed Rate as \$1.86 per 1,000 gallons. The difference in stated rates is the Kentucky River Authority Fee of \$0.05 per 1,000 gallons added to the volumetric rate of Frankfort.

4. During the 12 months ending January 31, 2011, Elkhorn purchased 79,445,400 gallons of water from Frankfort and sold 60,381,300 gallons. The increase in the cost of purchased water is \$8,421.21, resulting in a purchased water adjustment factor of \$0.14 per 1,000 gallons.

5. On April 18, 2011, Elkhorn filed a written request that its proposed rates become effective on April 18, 2011.

6. The purchased water adjustment factor of \$0.14 per 1,000 gallons is fair, just, and reasonable and should be approved.

7. The proposed rates are fair, just, and reasonable.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Elkhorn are approved.

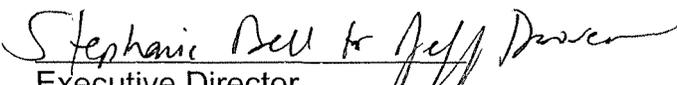
2. The purchased water adjustment factor of \$0.14 per 1,000 gallons as calculated in Appendix A hereto is approved.

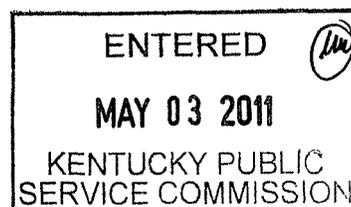
3. The rates in Appendix B, attached hereto and incorporated herein are approved for service rendered on or after April 18, 2011.

4. Elkhorn's proposed tariff sheet filed with the application, showing the rates approved herein, is approved.

By the Commission

ATTEST:

  
Executive Director



APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2011-00129 DATED **MAY 03 2011**

	New Rate	Base Rate
Frankfort		
Purchases in gallons	79,445,400	79,445,400
Volumetric rate	<u>\$1.81 /1,000</u>	<u>\$1.704/1,000</u>
	\$143,796.17	\$ 135,374.96
 KY River Authority		
Purchases in gallons	79,445,400	79,445,400
Volumetric rate	<u>NO CHANGE</u>	<u>NO CHANGE</u>
	Increased water cost	\$8,421.21
 Increased water cost		\$ 8,421.21
Divided by gallons sold		<u>60,381,300</u>
Purchased water adjustment factor		\$0.14 per 1,000 gallons

## APPENDIX B

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00129 DATED **MAY 03 2011**

The following rates and charges are prescribed for the customers in the area served by Elkhorn Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

#### Monthly Water Rates

##### General Service Rates

First	2,000 gallons	\$13.55	Minimum Bill
Next	3,000 gallons	5.13	per 1,000 gallons
Next	5,000 gallons	4.55	per 1,000 gallons
Over	10,000 gallons	3.32	per 1,000 gallons

##### General Service Meters

5/8 Inch	2,000 gallons	\$13.55	Minimum Bill
1 Inch	5,000 gallons	\$28.94	Minimum Bill
1 1/2 Inch	10,000 gallons	\$51.69	Minimum Bill

##### Mobile Home Parks

McConnell	15,000 gallons	\$101.63	Minimum Bill
Elkhorn	76,000 gallons	\$514.90	Minimum Bill
Capital	125,000 gallons	\$846.88	Minimum Bill

Emergency Wholesale Water Rate		\$3.32	per 1,000 gallons
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Garland Moore  
Chairman  
Elkhorn Water District  
P. O. Box 67  
Frankfort, KY 40602